

24 August 1976

MEMORANDUM FOR THE RECORD

SUBJECT : Unfunded Nature of Implementation of Applicant  
Processing Project

REFERENCE: Memo for C/MAS/DDA fr D/Pers dtd 19 Aug 76 (draft)  
subj: Efficiency Evaluation Project

1. On reviewing our copy of the reference, I found that the project, which originally was to be a survey to seek cost savings and service improvement in applicant processing records, had been expanded to include system implementation by September 1977, should the survey phase show the project to be feasible and desirable.

2. The memo failed to indicate that the capital funds for such implementation are not included in the budget for FY 1977. Accordingly, I have alerted C/MAS/DDA, and Helene Boatner, O/Compt, that the project implementation is not funded. Helene advised me that the project proposal, as drafted, has been forwarded to OMB but that we should not, at this time, worry about the funding aspects. She will notify the OMB examiner that the project is unfunded. Should it prove feasible and desirable, as I am confident, we will have funding options that would include possible FY 1977 funding from DDA or Agency sources or, if necessary, postponement to FY 1978.

STAT

Distribution:

✓ Pres Management Initiative File

DD/Pers-P&C

C/Review Staff

STAT

DD/P&C

Frank,

In all my earlier discussion I had only referred to a study, not to implementation of the system. As laid out in this memo, the system will be implemented in FY 1977, if the study shows it to be desirable and feasible. We know enough now to anticipate that the study will show desirable courses of action.

One major problem remains. There are no funds in the FY 1977 budget for any ~~ex~~ expenditures associated with this project.

My preference had been to do the study, then to consider how to fund any desirable actions, leaving open the alternatives of scaring up funds in FY 1977 or budgeting in FY 1978. But it seems that we are committed now to ~~to~~ fund, even if we (or the Agency) must absorb. Not good.....



STAT

8-24-72